



# ICIS Methanol Methodology Consultation

Response 2

## Additional Questions

**Q1** - Do you think the current China price reflects market situation?

We think that the current China price reflects market situation. But the other countries price is much higher than China and have to close to the China market or at least freight gap.

From global economy recession, specially in Asia market including China, the coal price (mostly impact to methanol cost) has been stable to weak,

The cost of China domestic methanol is less \$300/mt. And the domestic market price is around RMB 2550 ~ RMB 2600 which cover to CFR is around \$350 excluding storage tank fee.

Considering China actual market, buyer is trying to buy less CFR China \$350 and over \$360 price level offer, they can feel quite high.

**Q2** - Do you think the price range is wide?

China market is really big country and so many market player is attending the market. We think the price range is not so wide.

**Q3** - We will keep the original CFR China (all origins) quotation. Do you agree to publishing a parallel price quotation that reflects only Iran or non Iranian cargoes selling in China?

We do not agree to divide Iran and non Iran origin quotation. We can not understand why you are considering to divide the Iran and non Iranian origin.

China market can import Iran origin, it's one of main origin for import cargo, that is CFR China price itself. We think, the seller side want to divide the China market and trying to push China market upward. Iran origin consist of China basic import market that is China CFR price itself, we have to acknowledge China's Iranian import market.

**Q4** - If you support 3), the sub price quotation might be illiquid (i.e. thinly traded, few or no deals), do you agree to participate in fixed numbered spot trades that will support the assessment accuracy?

We do not support 3).

**Q5** - What is the preferred time for launching the new price quote?

We do not support 3).

**Q6** - We intend to add the wording (Singapore/ West Malaysia) to the CFR SE Asia major ports to better reflect ports assessed. Method of assessment remains unchanged, we have only been assessing these markets in SE Asia. Do you agree?

Basically we do not want to change SEA market quotation. Specially if the divided price is only publishing high price market only such as Malaysia, Indonesia, we do not want to agree the idea.

If it is publishing low price market like Vietnam together it is more reasonable to divide separated SE Asia price.